

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Maine

MORE LIBERAL METHODS OF TREATING INCOME  
UNDER SECTION 1902(r) (2) OF THE ACT\*

☐

Section 1902(f) State

☒

Non-Section 1902(f) State

For poverty-level aged and disabled individuals under 1902(a)(10)(A)(ii)(X):

The eligible couple or eligible individual and/or spouse will allocate income up to the SSI/State Supplement child living allowance to each child residing with them and for whom they are financially responsible.

The amount of income allocated will be the difference between the child's countable income and the child living allowance.

- More liberal methods may not result in exceeding gross income limitations under section 1903(f).

TN No. 98-001  
Supersedes  
TN No. 95-002

Approval Date: 2/10/98 Effective Date: 1/1/98

HCFA ID: 7985E

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Maine

MORE LIBERAL METHODS OF TREATING INCOME  
UNDER SECTION 1902(r)(2) OF THE ACT\*

**OFFICIAL**

☐ Section 1902(f) State

☒ Non-Section 1902(f) State

Annual COLA income increases taking effect in January, February or March are disregarded for poverty level groups through the month following the month that the new Federal poverty level is published.

Poverty level groups are: Qualified children as described in 2.2-A, p. 3a, p.4, pregnant women and infants, children age 1 and under 6 and children born after 9/30/83 who have attained 6 years of age but have not attained 19 years of age - 1902(a)(10)(A)(i)(iii)(iv)(vi)(vii)

The aged and disabled - 1902(a)(10)(A)(ii)(x)

QMB - 1905 (p)

\* More liberal methods may not result in exceeding gross income limitations under section 1903(f).

TN No. 93-04

Supersedes

TN No. \_\_\_\_\_

Approval Date

**FEB 11 1994**

Effective Date 5/1/93

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MORE LIBERAL METHODS OF TREATING INCOME  
UNDER SECTION 1902(r)(2) OF THE ACT\*

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☒ Non-Section 1902(f) State

For qualified children eligible (using AFDC income and asset requirements)  
under 1902(a)(10)(A)(i)(III)

- (1) Disregard income in the amount of the difference between 100 percent of the AFDC full need standard and 125 percent of the federal poverty level for the size family involved as revised annually in the Federal Register.

\* More liberal methods may not result in exceeding gross income limitations under section 1903(f).

TN No. 92-11  
Supersedes 92-03  
TN No. \_\_\_\_\_

Approval Date FEB 11 1994

Effective Date 5/1/93

HCFA ID: 7985E

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Maine

MORE LIBERAL METHODS OF TREATING RESOURCES  
UNDER SECTION 1902(r)(2) OF THE ACT\*

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The methodologies used in treating income for poverty level aged and disabled individuals as defined in 1902(a)(10)(A)(i)(X) and QMB as defined in 1905(p) will be the same as used by the cash programs with the following exceptions using less restrictive methodologies as authorized by 1902(r)(2) and is otherwise eligible.

1. use the same disregards as in optional state supplement program pursuant to Section 1616(c)(2) of the Social Security Act.

\* More liberal methods may not result in exceeding gross income limitations under section 1903(f).

TN No. 93-04  
Supersedes  
TN No. 92-03

Approval Date FEB 11 1994

Effective Date 1/1/93

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Maine

MORE LIBERAL METHODS OF TREATING INCOME  
UNDER SECTION 1902(r)(2) OF THE ACT\*

☐

Section 1902(f) State

☒

Non-Section 1902(f) State

For qualified children eligible under 1902(a)(10)(A)(i)(III)

Disregard income in the amount of the difference between 100 % of the AFDC full need standards and 150% of the federal poverty level for the size family involved as revised annually in the Federal Register.

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- More liberal methods may not result in exceeding gross income limitations under section 1903(f).

TN No. 98-005

Supersedes \_\_\_\_\_

TN No. \_\_\_\_\_

Approval Date: \_\_\_\_\_

Effective Date: 7/1/98

HCFA ID: 7985E

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Maine

MORE LIBERAL METHODS OF TREATING INCOME  
UNDER SECTION 1902(r)(2) OF THE ACT\*

☐ Section 1902(f) State

☒ Non-Section 1902(f) State

For individuals eligible for and receiving Medicaid and described in 1902(a)(10)(A)(ii)(x) (Poverty Level, Aged/Disabled)

When the annual Social Security and Railroad Retirement COLAs and Federal Poverty Level COLA adjustments cause ineligibility for Medicaid, disregard the most recent Social Security/Railroad Retirement COLA increase.

This disregard continues until the individual loses Medicaid coverage for any other reason for three (3) consecutive months.

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MAINE

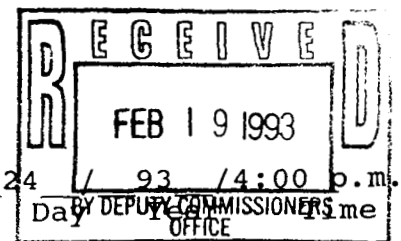
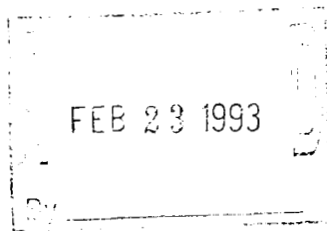
Cost estimate: Maine Medicaid Expansion effective 7/1/98

Expansion from 125% / 133% to 150%

<u>Source of Funds</u>	<u>FFY98</u>	<u>FFY99</u>	<u>FFY00</u>	<u>FFY01</u>
Total	490,560	6,254,644	7,468,781	7,877,908
Federal	373,954	4,767,915	5,693,452	6,005,329
State	116,606	1,486,729	1,775,329	1,872,579

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ACTION MEMO

TO: Jane Sheehan, Commissioner

THROUGH: Douglas Porter, Deputy Commissioner, Programs & Policy

FROM: Peter B. Walsh, Director, Bureau of Income Maintenance

DATE: January 29, 1993

SUBJECT: State Plan Update - State income disregard for QMB and Medicaid (SOBRA) groups (elderly and disabled).

ISSUE: Should the Medicaid state plan be changed in order to avoid federal sanctions.

BACKGROUND:

Federal Quality Control has just discovered that Maine has been applying an income disregard to elderly and disabled individuals for Medicaid (SOBRA eligibility) and QMB (payment of Medicare Part B premiums co-insurance and deductible) which is identified in policy but not in the State Medicaid Plan. We need to change the policy or change the State plan.

SUE ACTIVATED BY:

Recent federal Quality Control review uncovered an error affecting Medicaid determination in QMB and Medicaid (SOBRA) eligibility

REASON ISSUE IS IMPORTANT:

We are now out of compliance with federal regulations and need to correct the situation by changing policy or changing the state plan.

OPTION 1:

Change the Medicaid State Plan to conform to existing policy in order to avoid quality control errors.

PROS:

- Will avoid our liability for federal fiscal sanctions.
- Will not have to change to a policy which will be confusing to implement and which staff will probably forget to do. The changed policy would require a slightly different method for two Medicaid groups.

CONS:

Changing the policy instead of the plan will mean a small money savings but this will be offset somewhat by Q.C. errors.

Option 2: Change Medicaid policy to eliminate the income disregard we are now using.

PROS: There will be a small dollar savings.

CONS: By changing policy for the future we are saying that our past existing policy has been in error. Every SOBRA (elderly and disabled) and QMB case that shows up in the QC sample will still be in error if their income is within \$55 of the income limit. Q.C. is now sampling work done 6 months ago. We cannot correct any past decisions now.

Also, unless we do an immediate desk review of all open SOBRA and QMB cases, some errors will continue to come up in the next 6 months. We have no time to do a desk review due to work on open enrollment for MHP and AFDC policy changes.

-If our error rate, which has been good, goes up beyond tolerance levels due to these added errors, we will face federal fiscal sanctions.

OPTION 3: Do nothing, continue as is.

PRO: -There appears to be no "pros" of continuing this error.

CONS: -We will continue to increase our error rate leading to fiscal sanctions for errors we can avoid by taking option 1.

-Not only will we be vulnerable to federal fiscal sanctions due to our error rate but the entire state plan is put in jeopardy because we would knowingly have a state plan that is not in accord with federal regulations.

#### RECOMMENDATIONS:

Option 1. This option

-eliminates all QC errors due to using the disregard.

-continues existing policy and avoids a new practice staff are likely to forget,

-although there would be a small savings by changing policy (amount unknown) this would be offset (by how much is unknown) by case errors already made.

-we will maintain coverage for a vulnerable group of people (elderly and disabled).

**DECISION SECTION:**

		APPROVED	DISAPPROVED	OTHER
OPTION	1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
OPTION	2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
OPTION	3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
OTHER		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

[ ] Decision communicated to \_\_\_\_\_ on \_\_\_\_\_  
via \_\_\_\_\_  
(Name) (Date)  
(Mechanism)

[ ] Copy of Decision portion of memo sent to \_\_\_\_\_  
on \_\_\_\_\_ (Name[s])  
(Date)

Jane Sheehan  
SIGNATURE OF AGENCY OFFICIAL

2-23-93  
DATE